



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XIV

PENSION SCHEMES, SOCIAL SECURITY BENEFITS, LIFE ANNUITIES ETC.

CHAPTER I

RETIREMENT BENEFIT SCHEMES

Supplementary provisions

604 Application for approval of a scheme.

^{M1}(1) An application for the approval for the purposes of this Chapter of any retirement benefits scheme shall be made in writing by the administrator of the scheme to the Board before the end of the first year of assessment for which approval is required, and shall be accompanied by—

- (a) two copies of the instrument or other document constituting the scheme; and
- (b) two copies of the rules of the scheme and, except where the application is being sought on the setting up of the scheme, two copies of the accounts of the scheme for the last year for which such accounts have been made up; and
- (c) such other information and particulars (including copies of any actuarial report or advice given to the administrator or employer in connection with the setting up of the scheme) as the Board may consider relevant.

(2) The form in which an application for approval is to be made, or in which any information is to be given, in pursuance of this section may be prescribed by the Board.

Marginal Citations

M1 Source-1970(F) Sch.5 Part II 6, 7, 8, 9; 1987 (No.2), Sch.3 11, 13-15

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605 Information.

^{M2}(1) ^{F1}

[^{F2}(1A) The Board may by regulations make any of the following provisions—

- (a) provision requiring prescribed persons to furnish to the Board at prescribed times information relating to any of the matters mentioned in subsection (1B) below;
- (b) provision enabling the Board to serve a notice requiring prescribed persons to furnish to the Board, within a prescribed time, particulars relating to any of those matters;
- (c) provision enabling the Board to serve a notice requiring prescribed persons to produce to the Board, within a prescribed time, documents relating to any of those matters;
- (d) provision enabling the Board to serve a notice requiring prescribed persons to make available for inspection on behalf of the Board books, documents and other records, being books, documents and records which relate to any of those matters;
- (e) provision requiring prescribed persons to preserve for a prescribed time books, documents and other records, being books, documents and records which relate to any of those matters.

(1B) The matters referred to in subsection (1A) above are—

- (a) an approved scheme;
- (b) a relevant statutory scheme;
- (c) an annuity contract by means of which benefits provided under an approved scheme or a relevant statutory scheme have been secured;
- (d) a retirement benefits scheme which is not an approved scheme but in relation to which an application for approval for the purposes of this Chapter has been made.

(1C) A person who fails to comply with regulations made under subsection (1A)(e) above shall be liable to a penalty not exceeding £3,000.

(1D) Regulations under subsection (1A) above may make different provision for different descriptions of case.

(1E) In subsection (1A) above “prescribed” means prescribed by regulations made under that subsection.]

(2) ^{F1}

(3) It shall be the duty of every employer—

- (a) if there subsists in relation to any of his employees a retirement benefits scheme to which he contributes and which is neither an approved scheme nor a [^{F3}relevant] statutory scheme, to deliver particulars of that scheme to the Board within three months beginning with the date on which the scheme first comes into operation in relation to any of his employees, and
- (b) when required to do so by notice given by the Board, to furnish within the time limited by the notice such particulars as the Board may require with regard to—
 - (i) any retirement benefits scheme relating to the employer which is neither an approved scheme nor a [^{F3}relevant] statutory scheme; and

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(ii) the employees of his to whom any such scheme relates.

(4) It shall be the duty of the administrator of a retirement benefits scheme which is neither an approved scheme nor a [^{F3}relevant] statutory scheme, when required to do so by notice given by the Board, to furnish within the time limited by the notice such particulars as the Board may require with regard to the scheme.

Textual Amendments

- F1** S. 605(1)(2) repealed (1.1.1996) by Finance Act 1994 (c. 4), s. 105(3)(5), Sch. 26 Pt. 5(12), Note 3; S.I. 1995/3125, art. 2
- F2** S. 605(1A)-(1E) inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 105(2)
- F3** 1989 s.75 and Sch.6 paras.14 and 18(1) on and after 14 March 1989.

Marginal Citations

- M2** Source-1970(F) Sch.5 Part II 6, 7, 8, 9; 1987 (No.2) Sch.3 11, 13-15

[^{F4}605A False statements etc.

(1) A person who fraudulently or negligently makes a false statement or false representation on making an application for the approval for the purposes of this Chapter of—

- (a) a retirement benefits scheme, or
- (b) an alteration in such a scheme,

shall be liable to a penalty not exceeding £3,000.

(2) In a case where—

- (a) a person fraudulently or negligently makes a false statement or false representation, and
- (b) in consequence that person, or any other person, obtains relief from or repayment of tax under this Chapter,

the person mentioned in paragraph (a) above shall be liable to a penalty not exceeding £3,000.]

Textual Amendments

- F4** S. 605A inserted (with application in accordance with s. 106(2) of the amending Act) by Finance Act 1994 (c. 9), s. 106(1)

[^{F5}606 Default of administrator etc.

(1) This section applies in relation to a retirement benefits scheme if at any time—

- (a) there is no administrator of the scheme, or
- (b) the person who is, or all of the persons who are, the administrator of the scheme cannot be traced, or
- (c) the person who is, or all of the persons who are, the administrator of the scheme is or are in default for the purposes of this section.

(2) If the scheme is a trust scheme, then—

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- (a) if subsection (1)(b) or (c) above applies and at the time in question the condition mentioned in subsection (3) below is fulfilled, the trustee or trustees shall at that time be responsible for the discharge of all duties imposed on the administrator under this Chapter (whenever arising) and liable for any tax due from the administrator in the administrator's capacity as such (whenever falling due);
 - (b) if subsection (1)(a) above applies, or subsection (1)(b) or (c) above applies and at the time in question the condition mentioned in subsection (3) below is not fulfilled, the employer shall at that time be so responsible and liable;
- and paragraph (b) above shall apply to a person in his capacity as the employer even if he is also the administrator, or a trustee, of the scheme.
- (3) The condition is that there is at least one trustee of the scheme who—
- (a) can be traced,
 - (b) is resident in the United Kingdom, and
 - (c) is not in default for the purposes of this section.
- (4) If the scheme is a non-trust scheme, then—
- (a) if subsection (1)(b) or (c) above applies and at the time in question the condition mentioned in subsection (5) below is fulfilled, the scheme sponsor or scheme sponsors shall at that time be responsible for the discharge of all duties imposed on the administrator under this Chapter (whenever arising) and liable for any tax due from the administrator in the administrator's capacity as such (whenever falling due);
 - (b) if subsection (1)(a) above applies, or subsection (1)(b) or (c) above applies and at the time in question the condition mentioned in subsection (5) below is not fulfilled, the employer shall at that time be so responsible and liable;
- and paragraph (b) above shall apply to a person in his capacity as the employer even if he is also the administrator of the scheme, or a scheme sponsor.
- (5) The condition is that there is at least one scheme sponsor who—
- (a) can be traced,
 - (b) is resident in the United Kingdom, and
 - (c) is not in default for the purposes of this section.
- (6) Where at any time—
- (a) paragraph (b) or (c) of subsection (1) above applies in relation to a scheme, and
 - (b) a person is by virtue of this section responsible for the discharge of any duties, or liable for any tax, in relation to the scheme,
- then at that time the person or persons mentioned in paragraph (b) or (as the case may be) paragraph (c) of subsection (1) above shall not, by reason only of being the administrator of the scheme, be responsible for the discharge of those duties or liable for that tax.
- (7) Where the scheme is a trust scheme and the employer is not a contributor to the scheme, subsection (2) above shall have effect as if—
- (a) for “the employer”, in the first place where those words occur, there were substituted “the scheme sponsor or scheme sponsors”, and
 - (b) for “the employer”, in the second place where those words occur, there were substituted “scheme sponsor”.

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(8) Where the scheme is a non-trust scheme and the employer is not a contributor to the scheme, subsection (4) above shall have effect as if paragraph (b) and the words after that paragraph were omitted.

(9) No liability incurred under this Chapter—

- (a) by the administrator of a scheme, or
- (b) by a person by virtue of this section,

shall be affected by the termination of a scheme or by its ceasing to be an approved scheme or to be an exempt approved scheme.

[^{F6}(9A) Where by virtue of this section any person is the person, or one of the persons, responsible for the discharge of the duties of the administrator of a scheme, any power or duty by virtue of this Part to serve any notice on, or to do any other thing in relation to, the administrator may be exercised or performed, instead, by the service of that notice on that person or, as the case may be, by the doing of that other thing in relation to that person.]

(10) Where by virtue of this section a person becomes responsible for the discharge of any duties, or liable for any tax, the Board shall, as soon as is reasonably practicable, notify him of that fact; but any failure to give such notification shall not affect that person's being responsible or liable by virtue of this section.

(11) A person is in default for the purposes of this section if—

- (a) he has failed to discharge any duty imposed on him under this Chapter, or
 - (b) he has failed to pay any tax due from him by virtue of this Chapter,
- and (in either case) the Board consider the failure to be of a serious nature.

(12) References in this section to a trust scheme, a non-trust scheme, trustees and scheme sponsors shall be construed in accordance with section 611AA.

(13) References in this section to the employer include, where the employer is resident outside the United Kingdom, references to any branch or agent of the employer in the United Kingdom, and in this subsection “branch or agent” has the meaning given by section 118(1) of the Management Act.

(14) This section does not apply for the purposes of sections 602 and 603 and Schedule 22.]

Textual Amendments

F5 S. 606 substituted (with application in accordance with s. 104(3) of the amending Act) by Finance Act 1994 (c. 9), s. 104(1)

F6 S. 606(9A) inserted (retrospectively) by Finance Act 1998 (c. 36), Sch. 15 para. 5(1)

VALID FROM 31/07/1998

[^{F7}606A Recourse to scheme members.

(1) This section applies where—

- (a) an approval of a retirement benefits scheme has ceased to have effect;
- (b) a person (“the employer”) has become liable by virtue of section 606 to any tax chargeable on the administrator of the scheme under section 591C;

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- (c) the employer has failed, either in whole or in part, to pay that tax; and
 - (d) a person falling within subsection (2) below (“the relevant member”) was a member of the scheme at the time (“the relevant time”) immediately before the date of the cessation of its approval.
- (2) A person falls within this subsection in relation to any tax chargeable under section 591C if—
- (a) at the relevant time or at any time before that time he was a controlling director of the employer; or
 - (b) he is a person by or in respect of whom any contributions were made by reference to which the condition in subsection (6A) of that section has been satisfied for the purpose of the charge to that tax.
- (3) Subject to subsection (4) below, if in a case where this section applies—
- (a) the employer has ceased to exist, or
 - (b) the Board notify the relevant member that they consider the failure of the employer to pay the unpaid tax to be of a serious nature,
- the relevant member shall be treated as included in the persons on whom the unpaid tax was charged and shall be assessable accordingly.
- (4) The amount of tax for which the relevant member shall be taken to be assessable by virtue of this section shall not exceed the amount determined by—
- (a) taking the amount equal to 40 per cent. of his share of the scheme; and
 - (b) subtracting from that amount his share of any tax charged under section 591C that has already been paid otherwise than by another person on whom it is treated as charged in accordance with this section.
- (5) For the purposes of this section the relevant member’s share of the scheme is the amount equal to so much of the value of the assets held for the purposes of the scheme at the relevant time (taking the value at that time) as, on a just and reasonable apportionment, would have fallen to be treated as the value at that time of the assets then held for the purposes of the provision under the scheme of benefits to or in respect of the relevant member.
- (6) For the purposes of this section the relevant member’s share of an amount of tax already paid is such sum as bears the same proportion to the amount paid as is borne by his share of the scheme to the total value at the relevant time of the assets then held for the purposes of the scheme.
- (7) The reference in subsection (5) above to the provision of benefits to or in respect of the relevant member includes a reference to the provision of a benefit to or in respect of a person connected with the relevant member.
- (8) For the purposes of this section a person is a controlling director of a company if he is a director of the company and is within section 417(5)(b) in relation to the company.
- (9) A notification given to any person for the purposes of subsection (3)(b) above may be included in any assessment on that person of the tax to which he becomes liable by virtue of the notification.
- (10) An assessment to tax made by virtue of this section shall not be out of time if it is made within three years after the date on which the tax which the employer has failed to pay first became due from him.

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- (11) Subsections (1) to (3) of section 591D shall apply to the determination of the value at any time of an asset held for the purposes of a scheme as they apply for the purposes of section 591C(2).
- (12) Subsections (7) and (8) of section 591D shall apply for the purposes of this section as they apply for the purposes of subsection (1) of section 591C and section 591C, respectively.
- (13) Section 839 (connected persons) shall apply for the purposes of this section.]

Textual Amendments

- F7** S. 606A inserted (with effect in accordance with Sch. 15 para. 6(2) of the amending Act) by Finance Act 1998 (c. 36), Sch. 15 para. 6(1)

607 Pilots' benefit fund.

- ^{M3}(1) The Board may, if they think fit, and subject to such conditions as they think proper to attach to the approval, approve a pilots' benefit fund for the purposes of this Chapter as if it were a retirement benefits scheme and notwithstanding that it does not satisfy one or more of the conditions set out in section 590(2) and (3).
- (2) If a fund is approved by virtue of this section—
- sections 592, 597 to 600 and 604 to 606 shall have effect in relation to the fund with the modifications specified in subsection (3) below;
 - pensions paid out of the fund and any sums chargeable to tax in connection with the fund under section 600 shall be treated for the purposes of the Income Tax Acts as earned income; and
 - Chapter III of this Part shall have effect as if a member of the fund were the holder of a pensionable office or employment and his earnings as a pilot (estimated in accordance with the provisions of Case II of Schedule D) were remuneration from such an office or employment.
- (3) The modifications referred to in subsection (2)(a) above are as follows—
- in section 592, for the references in subsection (7) to an employee and Schedule E there shall be substituted respectively references to a member of the fund and Schedule D, and subsections (4) to (6), and in subsection (7) the words from “incurred” onwards, shall be omitted;
 - in sections 597 to 606 (except sections 601 to 603)—
 - for references to an employee there shall be substituted references to a member or former member of the fund;
 - in section 599(1)(a) for the reference to a year of service there shall be substituted a reference to a year as a pilot licensed by a pilotage authority or authorised by a competent harbour authority;
 - [^{F8}section 606(2)(b), (4)(b), (7), (8) and (13)] and so much of any other provision as applies to an employer shall be omitted; and
 - in section 600, for references to Schedule E there shall be substituted references to Case VI of Schedule D.
- (4) In this section “pilots' benefit fund” means a fund established under section 15(1)(i) of the ^{M4}Pilotage Act 1983 or any scheme supplementing or replacing any such fund.

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Textual Amendments

F8 Words in s. 607(3)(b)(iii) substituted (with application in accordance with s. 104(3) of the amending Act) by Finance Act 1994 (c. 9), s. 104(2)

Modifications etc. (not altering text)

C1 See Sch.1 para.4 Pilotage Act 1987—continuation of fund following repeal of s.15(1)(i) Pilotage Act 1983 by Pilotage Act 1987 (on and after 1February 1988by virtue of S.I. 1987 No. 2138).

Marginal Citations

M3 Source-1980 s.35
M4 1983 c. 21.

608 Superannuation funds approved before 6th April 1980.

- ^{M5}(1) This section applies to any fund which immediately before 6th April 1980 was an approved superannuation fund for the purposes of section 208 of the 1970 Act if—
- (a) it has not been approved under this Chapter (or under Chapter II of Part II of the Finance Act 1970); and
 - (b) no sum has been paid to it by way of contribution since 5th April 1980.
- (2) Subject to subsection (3) below, exemption from income tax shall, on a claim being made in that behalf, be allowed to a fund to which this section applies in respect of—
- (a) income derived from investments or deposits of the fund;
 - (b) any underwriting commissions which apart from this subsection would be chargeable to tax under Case VI of Schedule D; and
 - (c) any profits or gains which (apart from this subsection) would be chargeable to tax under Case VI of Schedule D by virtue of section 56(1)(a) and (2);
- if, or to such extent as the Board are satisfied that, the income, commissions, profits or gains are applied for the purposes of the fund.
- (3) No claim under subsection (2) above shall be allowed unless the Board are satisfied that the terms on which benefits are payable from the fund have not been altered since 5th April 1980.
- (4) An annuity paid out of a fund to which this section applies shall be charged to tax under Schedule E and section 203 shall apply accordingly.

Marginal Citations

M5 Source-1980 s.36 (1), (2), (4), (6)

609 Schemes approved before 23rd July 1987.

Schedule 23 to this Act, which makes provision with respect to retirement benefit schemes approved before 23rd July 1987, shall have effect.

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610 Amendments of schemes.

- ^{M6}(1) This section applies to any amendment of a retirement benefits scheme proposed in connection with an application for the Board’s approval for the purposes of this Chapter which is needed in order to ensure that approval is so given, or designed to enhance the benefits under the scheme up to the limits suitable in a scheme for which approval is sought.
- (2) A provision, however expressed, designed to preclude any amendment of a scheme which would have prejudiced its approval under section 208 or 222 of the 1970 Act shall not prevent any amendment to which this section applies.
- (3) In the case of a scheme which contains no powers of amendment, the administrator of the scheme may, with the consent of all the members of the scheme, and of the employer (or of each of the employers), make any amendment to which this section applies.

Marginal Citations

M6 Source-1971 s.22(1)-(3)

611 Definition of “retirement benefits scheme”.

- (1) ^{M7}In this Chapter “retirement benefits scheme” means, subject to the provisions of this section, a scheme for the provision of benefits consisting of or including relevant benefits, but does not include any national scheme providing such benefits.
- (2) References in this Chapter to a scheme include references to a deed, agreement, series of agreements, or other arrangements providing for relevant benefits notwithstanding that it relates or they relate only to—
- a small number of employees, or to a single employee, or
 - the payment of a pension starting immediately on the making of the arrangements.
- (3) The Board may, if they think fit, treat a retirement benefits scheme relating to employees of two or more different classes or descriptions as being for the purposes of this Chapter two or more separate retirement benefits schemes relating respectively to such one or more of those classes or descriptions of those employees as the Board think fit.
- (4) For the purposes of this section, and of any other provision of this Chapter—
- employees may be regarded as belonging to different classes or descriptions if they are employed by different employers; and
 - a particular class or description of employee may consist of a single employee, or any number of employees, however small.
- (5) ^{M8}Without prejudice to subsections (3) and (4) above, the Board may continue to treat as two different schemes, for the purposes of this Chapter, any retirement benefits scheme which, in pursuance of paragraph 5 of Schedule 3 to the Finance Act 1971 (schemes in existence before 5th April 1973), they treated, immediately before the coming into force of this Chapter, as two separate schemes for the purposes of Chapter II of Part II of the Finance Act 1970.

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Marginal Citations

- M7** Source-1970(F) s.25
M8 Source-1971 Sch.3 5

[^{F9}611A Definition of relevant statutory scheme.

- (1) In this Chapter any reference to a “relevant statutory scheme” is a reference to a statutory scheme—
 - (a) established before 14th March 1989, or
 - (b) established on or after that date and entered in the register maintained by the Board for the purposes of this section.
- (2) The Board shall maintain a register for the purposes of this section and shall enter in it the relevant particulars of any statutory scheme established on or after 14th March 1989 which is reported to the Board by the authority responsible for establishing it as a scheme the provisions of which correspond with those of an approved scheme.
- (3) The reference in subsection (2) above to the relevant particulars, in relation to a scheme, is a reference to—
 - (a) the identity of the scheme,
 - (b) the date on which it was established,
 - (c) the authority responsible for establishing it, and
 - (d) the date on which that authority reported the scheme to the Board.
- (4) Where the Board enter the relevant particulars of a scheme in the register maintained by them for the purposes of this section, they shall inform the authority responsible for establishing the scheme of the date of the entry.

Textual Amendments

- F9** S. 611A inserted (14.3.1989) by [Finance Act 1989 \(c. 26\)](#), Sch. 6 paras. 15, **18(1)**

Modifications etc. (not altering text)

- C2** *Definition employed for purposes of S.I. 1987 No.1749, regn.5(2), (“The Occupational Pension Schemes (Additional Voluntary Contributions) Regulations 1987”—in Part III Vol.5).*

[^{F10}611A Definition of the administrator.

- (1) In this Chapter references to the administrator, in relation to a retirement benefits scheme, are to the person who is, or the persons who are, for the time being the administrator of the scheme by virtue of the following provisions of this section.
- (2) Subject to subsection (7) below, where—
 - (a) the scheme is a trust scheme, and
 - (b) at any time the trustee, or any of the trustees, is or are resident in the United Kingdom,
 the administrator of the scheme at that time shall be the trustee or trustees of the scheme.

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- (3) Subject to subsection (7) below, where—
- (a) the scheme is a non-trust scheme, and
 - (b) at any time the scheme sponsor, or any of the scheme sponsors, is or are resident in the United Kingdom,
- the administrator of the scheme at that time shall be the scheme sponsor or scheme sponsors.
- (4) At any time when the trustee of a trust scheme is not resident in the United Kingdom or (if there is more than one trustee) none of the trustees is so resident, the trustee or trustees shall ensure that there is a person, or there are persons—
- (a) resident in the United Kingdom, and
 - (b) appointed by the trustee or trustees to be responsible for the discharge of all duties relating to the scheme which are imposed on the administrator under this Chapter.
- (5) At any time when the scheme sponsor of a non-trust scheme is not resident in the United Kingdom or (if there is more than one scheme sponsor) none of the scheme sponsors is so resident, the scheme sponsor or scheme sponsors shall ensure that there is a person, or there are persons—
- (a) resident in the United Kingdom, and
 - (b) appointed by the scheme sponsor or scheme sponsors to be responsible for the discharge of all duties relating to the scheme which are imposed on the administrator under this Chapter.
- (6) Without prejudice to subsections (4) and (5) above—
- (a) the trustee or trustees of a trust scheme, or
 - (b) the scheme sponsor or scheme sponsors of a non-trust scheme,
- may at any time appoint a person who is, or persons who are, resident in the United Kingdom to be responsible for the discharge of all duties relating to the scheme which are imposed on the administrator under this Chapter.
- (7) Where at any time there is or are a person or persons—
- (a) for the time being appointed under subsection (4), (5) or (6) above as regards a scheme, and
 - (b) resident in the United Kingdom,
- the administrator of the scheme at that time shall be that person or those persons (and no other person).
- (8) Any appointment under subsection (4), (5) or (6) above—
- (a) must be in writing, and
 - (b) if made after the time when the scheme is established, shall constitute an alteration of the scheme for the purposes of section 591B(2).
- (9) In this section—
- (a) references to a trust scheme are to a retirement benefits scheme established under a trust or trusts;
 - (b) references to the trustee or trustees, in relation to a trust scheme and to a particular time, are to the person who is the trustee, or the persons who are the trustees, of the scheme at that time;
 - (c) references to a non-trust scheme are to a retirement benefits scheme not established under a trust or trusts, and

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- (d) references to the scheme sponsor or scheme sponsors, in relation to a retirement benefits scheme and to a particular time, are references to any person who established the scheme and is in existence at that time or, if more than one, all such persons.]

Textual Amendments

F10 S. 611AA inserted (with application in accordance with s. 103(3) of the amending Act) by Finance Act 1994 (c. 4), s. 103(1)

Modifications etc. (not altering text)

C3 S. 611AA excluded (temp. 6.4.2005 to 5.4.2006) by The Pension Protection Fund (Tax) (2005-06) Regulations 2005 (S.I. 2005/1907), regs. 1, 9(2)

611A Definition of relevant statutory scheme.

- (1) In this Chapter any reference to a “relevant statutory scheme” is a reference to a statutory scheme—
- (a) established before 14th March 1989, or
 - (b) established on or after that date and entered in the register maintained by the Board for the purposes of this section.
- (2) The Board shall maintain a register for the purposes of this section and shall enter in it the relevant particulars of any statutory scheme established on or after 14th March 1989 which is reported to the Board by the authority responsible for establishing it as a scheme the provisions of which correspond with those of an approved scheme.
- (3) The reference in subsection (2) above to the relevant particulars, in relation to a scheme, is a reference to—
- (a) the identity of the scheme,
 - (b) the date on which it was established,
 - (c) the authority responsible for establishing it, and
 - (d) the date on which that authority reported the scheme to the Board.
- (4) Where the Board enter the relevant particulars of a scheme in the register maintained by them for the purposes of this section, they shall inform the authority responsible for establishing the scheme of the date of the entry.]

Textual Amendments

F9 S. 611A inserted (14.3.1989) by Finance Act 1989 (c. 26), Sch. 6 paras. 15, 18(1)

Modifications etc. (not altering text)

C2 *Definition employed for purposes of S.I. 1987 No.1749, regn.5(2), (“The Occupational Pension Schemes (Additional Voluntary Contributions) Regulations 1987”—in Part III Vol.5).*

612 Other interpretative provisions, and regulations for purposes of this Chapter.

- (1) ^{M9}In this Chapter, except where the context otherwise requires—

F11

Status: Point in time view as at 19/03/1997. This version of this cross heading contains provisions that are not valid for this point in time.

Changes to legislation: Income and Corporation Taxes Act 1988, Cross Heading: Supplementary provisions is up to date with all changes known to be in force on or before 09 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

“approved scheme” means a retirement benefits scheme for the time being approved by the Board for the purposes of this Chapter;

“director” in relation to a company includes—

- (a) in the case of a company the affairs of which are managed by a board of directors or similar body, a member of that board or body,
- (b) in the case of a company the affairs of which are managed by a single director or similar person, that director or person,
- (c) in the case of a company the affairs of which are managed by the members themselves, a member of that company;

and includes a person who is to be or has been a director;

“employee”—

- (a) in relation to a company, includes any officer of the company, any director of the company and any other person taking part in the management of the affairs of the company, and
- (b) in relation to any employer, includes a person who is to be or has been an employee;

and “employer” and other cognate expressions shall be construed accordingly;

“exempt approved scheme” has the meaning given by section 592(1);

“final remuneration” means the average annual remuneration of the last three years’ service;

“pension” includes annuity;

“the permitted maximum” has the meaning given by section 590(3);

“relevant benefits” means any pension, lump sum, gratuity or other like benefit given or to be given on retirement or on death, or in anticipation of retirement, or, in connection with past service, after retirement or death, or to be given on or in anticipation of or in connection with any change in the nature of the service of the employee in question, except that it does not include any benefit which is to be afforded solely by reason of the disablement by accident of a person occurring during his service or of his death by accident so occurring and for no other reason;

“remuneration” does not include—

- (a) anything in respect of which tax is chargeable under Schedule E and which arises from the acquisition or disposal of shares or an interest in shares or from a right to acquire shares; or
- (b) anything in respect of which tax is chargeable by virtue of section 148;

“service” means service as an employee of the employer in question and other expressions, including “retirement”, shall be construed accordingly; and

“statutory scheme” means a retirement benefits scheme established by or under any enactment—

- (a) the particulars of which are set out in any enactment, or in any regulations made under any enactment, or
- (b) which has been approved as an appropriate scheme by a Minister or government department (including the head of a Northern Ireland department or a Northern Ireland department).

- (2) ^{M10} Any reference in this Chapter to the provision of relevant benefits, or of a pension, for employees of an employer includes a reference to the provision of relevant benefits or a pension by means of a contract between the administrator or the employer or the employee and a third person; and any reference to pensions or contributions paid, or

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payments made, under a scheme includes a reference to pensions or contributions paid, or payments made, under such a contract entered into for the purposes of the scheme.

- (3)^{M11}The Board may make regulations generally for the purpose of carrying the preceding provisions of this Chapter into effect.

Textual Amendments

- F11** S. 612(1): definition of "administrator" repealed (with effect in accordance with s. 103(3) of the repealing Act) by [Finance Act 1994 \(c. 9\)](#), s. 103(2), **Sch. 26 Pt. 5(12)**, Note 4

Modifications etc. (not altering text)

- C4** *Definition employed for purposes of S.I. 1987 No.1749, regn.2(1A) ("The Occupational Pension Schemes (Additional Voluntary Contributions) Regulations 1987"—in Part III Vol.5).*
- C5** *See s.686—liability to additional rate of certain income of discretionary trusts.*
- C6** *Interpretation employed for purposes of S.I. 1987 No.1749, regn.2(1) ("The Occupational Pension Schemes (Additional Voluntary Contributions) Regulations 1987" in Part III Vol.5).*
- C7** *For regulations see Part III Vol.5*

Marginal Citations

- M9** Source-1970(F) s.26 (1); 1971 Sch.3 12(4); 1986 Sch.12 1(10); 1987 (No.2) Sch.3 7
- M10** Source-1970(F) s.26(2); 1987 (No.2) Sch.3 8
- M11** Source-1970(F) Sch.5 Part II 10; 1971 Sch.3 13(3)

Status:

Point in time view as at 19/03/1997. This version of this cross heading contains provisions that are not valid for this point in time.

Changes to legislation:

Income and Corporation Taxes Act 1988, Cross Heading: Supplementary provisions is up to date with all changes known to be in force on or before 09 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.